

**BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO**

In the Matter of the Protest of	)	
	)	DOCKET NO. 20047
[REDACTED],	)	
	)	DECISION
Petitioners.	)	
_____	)	

On January 19, 2007, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayers) proposing income tax, penalty, and interest for taxable years 1999 through 2005 in the total amount of \$11,260.

The taxpayers filed a timely appeal. They did not request a hearing. The Tax Commission has reviewed the file and hereby issues its decision based upon the information contained in the file.

Because Tax Commission records showed the taxpayers met the state income tax filing requirements and had not filed their Idaho returns for 1999 through 2005, the Bureau attempted to contact them for clarification. The taxpayers did not respond.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

**63-3045. Notice of redetermination or deficiency -- Interest.** (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax

commission and obtain redetermination of the deficiency.

The Bureau determined the taxpayers had a requirement to file resident individual income tax returns. The Bureau prepared returns on the taxpayers' behalf and sent them a NODD. In response to the notice, the taxpayers sent a letter of appeal signed by [Redacted]. They asked for additional time.

The Bureau sent the taxpayers a letter acknowledging their protest. They were allowed additional time. However, when the promised returns did not arrive, the taxpayers' file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayers did not respond to a letter from the Tax Policy Specialist advising them of their appeal rights.

Idaho records show the taxpayers filed a married filing joint Idaho return in 1998. The taxpayers purchased Idaho resident fish and game licenses each year and maintained Idaho resident driver's licenses. Idaho Department of Labor records show Idaho wages for both taxpayers each year.

The taxpayers have not filed their 1999 through 2005 Idaho income tax returns and have submitted nothing that would cast doubt on the Bureau's determination that was based on records retained by [Redacted] the Tax Commission.

IRS records show the taxpayers filed their federal returns using a filing status of married filing joint with one dependent for all years except 2005 when they claimed no dependents. The Bureau used the same filing status and number of exemptions when it computed the taxpayers' Idaho tax responsibility.

The Bureau properly allowed withholding identified in Tax Commission records to offset a portion of each year's tax (\$1,481 in 1999; \$2,014 in 2000; \$1,218 in 2001; \$1,347 in 2002; \$2,585

in 2003; \$2,899 in 2004; and \$3,572 in 2005). The interest and penalty added by the Bureau pursuant to Idaho Code §§ 63-3045 and 63-3046 were reviewed and found to be proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated January 19, 2007, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that [Redacted] pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1999	\$1,979	\$495	\$963	\$ 3,437
2000	1,390	348	565	2,303
2001	1,073	268	353	1,694
2002	1,289	322	342	1,953
2003	538	135	114	787
2004	932	233	142	1,307
2005	2	10	-0-	<u>12</u>
			TOTAL DUE	\$11,493

Interest is computed through September 15, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayers' right to appeal this decision is enclosed with this decision.

DATED this \_\_\_\_ day of \_\_\_\_\_, 2007.

IDAHO STATE TAX COMMISSION

\_\_\_\_\_  
COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this \_\_\_\_ day of \_\_\_\_\_, 2007, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.

\_\_\_\_\_